

**REMARKS/ARGUMENTS**

In response to the Office Action dated April 8, 2004, claim 1 is amended. Claims 1-9 are now active in this application. No new matter has been added.

The indication that claims 7-9 are allowable, and that claims 2-6 would be allowable if rewritten in independent form including all the limitations of the base claim and any intervening claims is acknowledged and appreciated.

**REJECTION OF CLAIMS UNDER 35 U.S.C. § 102**

Claims 1 is rejected under 35 U.S.C. § 102(e) as being anticipated by Hayashi et al. (USPN 6,535,616).

The rejection is respectfully traversed.

I. As a first point, it is noted that the PTOL-326 has block 2a) marked, indicating that this action is FINAL. However, this is believed to be an error as none of the claims were amended in the Response dated January 5, 2004, filed in response to the non-final Office Action of October 17, 2003 and Hayashi et al. (USPN 6,535,616) is newly cited in the current Office Action. Also, the body of the current Office Action makes no reference to the fact that the Office Action is FINAL.

Consequently, acknowledgment that the marking of block 2a) of the current PTOL-326 is an error is respectfully solicited.

II. The factual determination of lack of novelty under 35 U.S.C. § 102 requires the identical disclosure in a single reference of each element of a claimed invention such that the identically claimed invention is placed into possession of one having ordinary skill in the art. *Helifix Ltd. v. Blok-Lok, Ltd.*, 208 F.3d 1339, 200 U.S. App. LEXIS 6300, 54 USPQ2d 1299 (Fed. Cir. 2000); *Electro Medical Systems S.A. v. Cooper Life Sciences, Inc.*, 34 F.3d 1048, 32 USPQ2d 1017 (Fed. Cir. 1994).

As noted in the previous response, the invention of the present application recognizes the that the conventional technique of synthesizing an additional image in a halftone image region (see page 2, line 23 to page 3, line 3 of the present specification) has a problem, and the present invention was perfected with a view to solving this problem. The invention recited in claim 1 of the present application includes discriminating a text area from a received image data and synthesizing an additional image into the text area.

According to the invention recited in claim 1, even when the additional image is synthesized into the text area, this synthesis will not render the text itself unreadable, but will manifest an effect of enhancing the discernibleness of the additional image and the original image. In this regard, Applicant wishes to note that the “additional image” is visible.

Hayashi et al. discloses an invention that relates to a *digital watermark*. This reference describes the invention as specifying a subband of low region (texture region) from an original image through wavelet transformation and synthesizing a *digital watermark* in this region.

As the invention disclosed in Hayashi et al. relates to a *digital watermark*, the reference contemplates embedding certain information so as to be invisible to the user (column 1 line 26-31 of the cited reference). In contrast, the invention recited in claim 1 comprises synthesizing an

additional image, as in an advertisement. More specifically, the invention recited in claim 1 is directed toward forming an additional image that is visible to the user.

The invention recited in claim 1 and the invention of Hayashi differ in the above described aspect. More specifically, Hayashi et al. has absolutely no description regarding showing such an additional image to the user. In particular, since the invention of Hayashi et al. pertains to a **digital watermark**, it does not even give rise to the idea of showing an additional image to the user.

Applicant notes that the portion of Hayashi et al. that the Examiner points out in the office action as disclosing the matter regarding the printing/forming of the synthesized images (column 11 lines 23-27) only discloses the fact that the device for extracting a watermark visualizes the embedded image of a watermark, synthesizes the original image and the image of the watermark on a same image field, and prints the resultant image. That is, Hayashi et al. only describes an act of synthesizing the original image and the image of watermark on one and the same image field and fails to describe such an act of synthesizing the visualized image of watermark in the text are of the original image as recited in claim 1.

The above argued difference between the claimed device vis-à-vis the invention of Hayashi et al. undermines the factual determination that Hayashi et al. identically describes the claimed inventions within the meaning of 35 U.S.C. § 102. *Minnesota Mining & Manufacturing Co. v. Johnson & Johnson Orthopaedics Inc.*, 976 F.2d 1559, 24 USPQ2d 1321 (Fed. Cir. 1992); *Kloster Speedsteel AB v. Crucible Inc.*, 793 F.2d 1565, 230 USPQ 81 (Fed. Cir. 1986). Applicant, therefore, submits that independent claim 1 is not anticipated by Hayashi et al., for the reasons described above.

At any rate, claim 1 is amended to clarify this distinguishing feature by delineating that "the formed synthesized images are visible in the text areas."

In view of the above, Applicant respectfully solicits the allowance of amended claim 1.

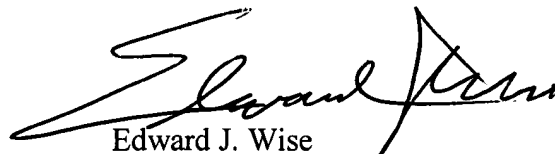
### **CONCLUSION**

Accordingly, it is urged that the application, as now amended, is in condition for allowance, an indication of which is respectfully solicited. If there are any outstanding issues that might be resolved by an interview or an Examiner's amendment, Examiner is requested to call Applicants' attorney at the telephone number shown below.

To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 500417 and please credit any excess fees to such deposit account.

Respectfully submitted,

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